

# Standardization in Chemicals - It's all about business -

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# Welcome To CIDX<sup>TM</sup> CIDX History

- Organized in 1985 to facilitate EDI and bar coding implementations in the Chemical Industry.
- Evolved into guidelines organization for sharing information and learning new technologies.
- In 2001, CIDX was converted to be the XML standards body for the Chemical Industry
- Recently added Cybersecurity

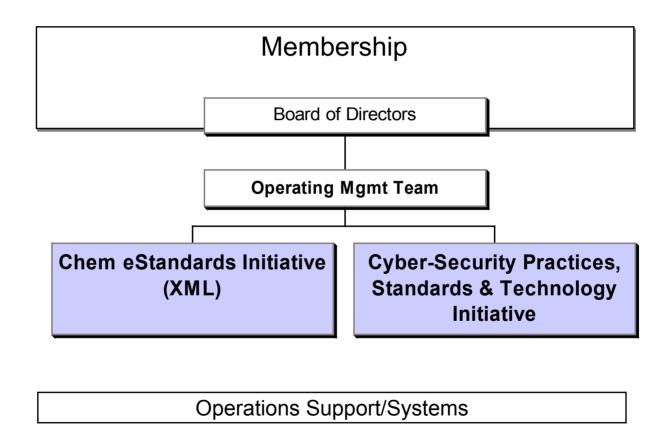
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### What's next?





## **Evolving Scope of CIDX**







# Chemical Industry Data Exchange CIDX

## **Mission**

To improve the ease, speed and cost of transacting business electronically between chemical companies and their trading partners.

## **Principles for XML Standards**

- Open
- Neutral
- Freely Available





# 2003 CIDX Member Companies

### **Chemical Companies**

- Air Products
- Albemarle
- Atofina
- Akzo Nobel
- BASF
- Bayer Corporation
- Borealis
- BP Chemicals
- Celanese (Ticona)
- Ciba Specialty Chemicals
- Clariant International
- DSM
- The Dow Chemical Co.
- Dow Corning
- DuPont
- Eastman Chemical Co.
- ExxonMobil Chemical
- FMC
- Kerr McGee

- Lubrizol
- Lyondell
- Millennium
- NOVA Chemicals
- Occidental Chemical Corp.
- Olin Chlor Alkali
- PPG
- Praxair
- Rhodia
- Rohm & Haas
- Shell
- Solutia
- Solvay
- Stepan
- Univar
- Vulcan
- JCPA CEDI (Mitsui, Mitsubishi, Sumitomo, Ashai Kasei, Idemetsu, Showa Denko, Ube, etc)





## 2003 CIDX Member Companies

(continued)

#### **Marketplaces / Distributors**

- Ashland
- Chemcentral
- ChemConnect
- Elemica
- Omnexus
- Trade Ranger

#### **Trading Industry Alliances**

- JPCA (Japanese Petrochemical Association)
- GPA (Gas Processors Assn)
- PIDX (Petroleum Industry Data Exchange)
- RAPID (Agricultural Inputs eBusiness Standards Organization)

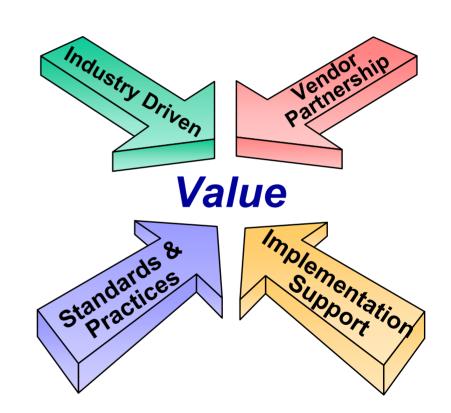
### **Service Providers**

- Accenture
- Aspen Technology
- Bearing Point
- Cap Gemini Ernst & Young
- EDS
- Haht Commerce
- IBM
- JD Edwards
- Menlo Logistics
- Microsoft
- Rex
- SAP
- WebMethods



# Strategic Objectives

- Effective practices, standards & guidance that reduce barriers and improve performance
- Broad implementation within the global chemical industry
- Encourage development
   of improved, cost-effective
   technologies, services and
   solutions to support industry
   targets



## Clearly Driven by Industry Needs





# Welcome To CIDX<sup>™</sup> Some Key Definitions

- CIDX<sup>TM</sup>: the independent Chemical Industry standards body that will own, support, and manage the Chem eStandards<sup>™</sup>
- Chem eStandards™: Complete body of work including documentation, diagrams, processes, XML transactions and DTDs.





# **Chem eStandards Status: Where are we now?**

- Published Chem eStandards v2.0 in March 2001 (47 XML transactions:
- Published Chem eStandards v2.0.1 in June 2001:
  - Included roughly 60 enhancements to the v2.0 DTD's
- Published Chem eStandards v2.0.2 in October 2001:
  - Included roughly 150 enhancements to the v2.0.1 DTD's
- Published Chem eStandards v3.0 in July 2002:
  - Included roughly 115 enhancements to the v2.0.2 DTD's
  - Included 7 new messages





# Standards Development

### Chem eStandards - Transaction Overview

#### The 52 transactions in the Chem eStandards fall into 8 categories:

#### **Customer/Company Information**

Qualification Request Qualification Response

#### Catalog and RFQ

Cust. Specific Catalog Update Product Catalog Update Request for Quote

#### **Purchase Order**

Order Change
Order Create
Order Response
Order Status Request
Order Status Response
Price & Availability Request
Price & Availability Response

#### **Financials**

Invoice Invoice Response Payment Payment Detail Payment Response

#### **Logistics**

Carrier Weights
Freight Bill
Load Tender Motor
Load Tender Ocean
Load Tender Rail
Load Tender Response
Shipment Status Request
Shipment Status
Ship Notice
Shipping Instructions

#### **Exchange Interactions**

Posting Accept
Posting Accept Response
Posting Cancel
Posting Cancel Response
Posting Change
Posting Create
Posting Response
Posting Status Request
Posting Status Response

#### **Forecasting**

**Delivery Receipt** 

Delivery Receipt Response
Demand Forecast
Demand Forecast Response
Demand Plan
Demand Plan Response
Inventory Actual Usage
Inventory Actual Usage Response
Replenishment Proposal Cancel
Replenishment Proposal Change
Replenishment Proposal Request
Replenishment Proposal Response
Supply Plan
Supply Plan Response

#### **Product Information**

**Certificate of Analysis Quality Testing Report** 





## 2003 Publication Plans

- Next Release planned for 4Q2003 probably designated v4.0 with the following changes:
  - Change requests received from users (50-100)
  - New messages
  - XML Schema support (tentative)
- Provide implementation guidance for ebMS no sooner than 4Q2003
- Migration of Chem eStandards to any crossindustry standards basis not likely before 2004.





# CIDX - Going Forward

Increased focus on reducing implementation barriers & integration costs

Laying groundwork for collaboration

Related areas of standardization





# Barriers to Connectivity

Customer readiness

Lack of BPG

Value case needed

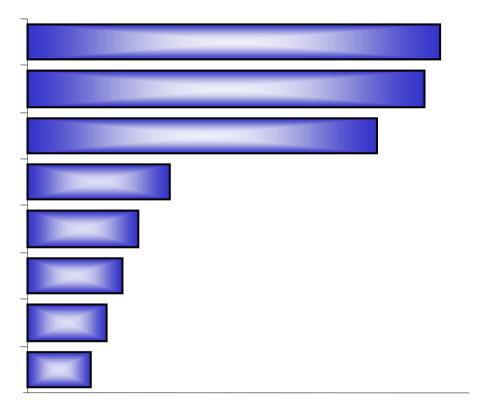
Internal readiness

Differing trading industry stds

Global business differences

Lack of widely accepted stds

Lack of cost effective sol'ns



Relative Importance





## **Business Process Guideline Projects**

- V1.0 Business Process Guidelines year-end 2003
  - Order-to-Cash
  - Collaborative Planning, Forecasting & Replenishment (CPFR)
- Logistics Framing Project determine what CIDX needs to do
- CIDX/RAPID are using a "use case" approach to documenting business process scenarios
- Significant interest in looking at business process "standards"





# Chem eStandards Support

# Implementation Support

#### Implementation Accelerator

(Processes, Tools & Templates)

- Planning
- Assessing
- Enabling
- Testing
- Go-Live

#### **Other Tools**

- User Forums/Workshops
- Certification
- Service Directory
- Vendor Partnership Program

Policy & Procedures





# **Global Operations**

#### **North America**

- Initiated (1Q01)
- Global participation

### **Latin America**

- Initiated 2Q02
- Sao Paulo kick-off (6/02)
- Forums & work groups



#### European

- Initiated (3Q01)
- Brussels kick-off (1Q02)
- Global meeting (3Q03)
- Forums & workshops

### **Japan**

- CEDI/CIDX joint project
- BPG (1Q03)
- Forums & workshops (2Q)



Regional needs definition

Global standards development

Regional documentation & implementation support





# CIDX - Going Forward

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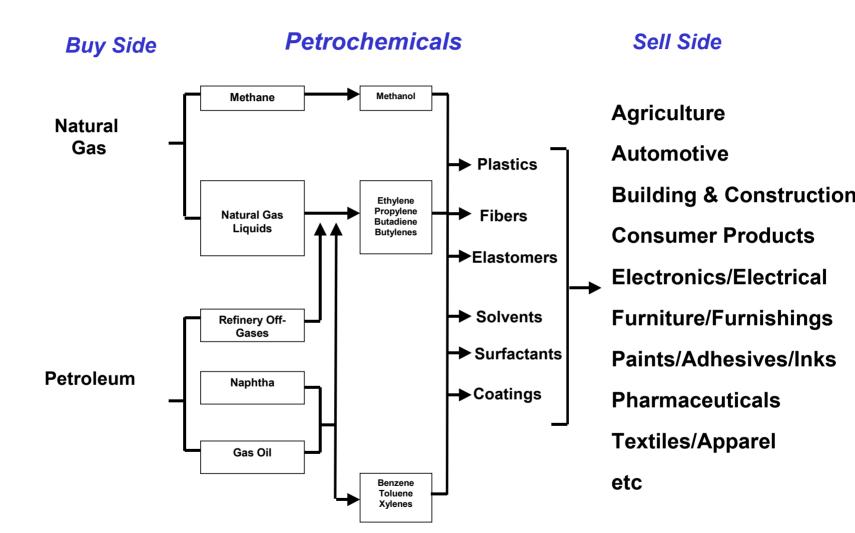
Laying groundwork for collaboration

Related areas of standardization





## Chemical industry trades...

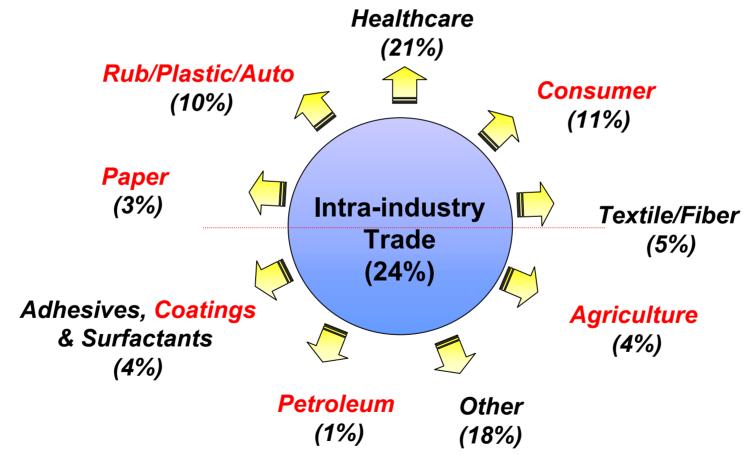


## ... across a complex supply chain



## Convergence & Architecture Key Trading Industries

#### % Global Chemical Consumption (1999)



**Source: Accenture analysis (7/01)** 





# Convergence & Architecture Cross-Industry Stds Convergence

- Evaluate and recommend cross-industry standards initiative(s) that are most relevant for our combined industries (CIDX/PIDX/RAPID)
- Collaborate with other industry verticals (e.g. Paper, Auto) to help converge cross-industry standards to meet our joint industry needs.





# Standards Landscape

Updated 2003-01-28

Registry/Repository

RAPID have approached and are approaching standards development. This diagram was not developed to reflect an architectural view of the various landscape components. There are many perspectives one might take when

Note: This diagram reflects the order (from the bottom up) that CIDX, PIDX, and

considering the standards landscape, and this is simply the one selected to help illustrate the concepts discussed in this presentation. Generally contains information related to... Trading Partner Agreement (TPA) Standards **Business Process/Collaboration Standards Business Document Standards** Industry-Specific Extensions **Industry-Specific Business Cross-Industry Business Document Standards** Transport, Routing, Document and Packaging (TRP) Standards Standards Cross-Industry Industry-Specific **Core Components Core Components** XML Document Structure Meta-language  $\mathsf{XML}$ 



### Where RAPID/CIDX/PIDX is Today

Each organization has business document standards and TRP standards in production.

\*Note: Ag eStandards business document standards are equivalent to Chem eStandards business document standards.

#### Registry/Repository

Generally contains information related to...

### Trading Partner Agreement (TPA) Standards

**Business Process/Collaboration Standards** 

Industry-Specific

**Extensions** 

Cross-Industry

**Business Document** 

Standards

#### **Business Document Standards**

Industry-Specific Business
Document Standards

CIDX: Chem eStandards
PIDX: PIDX XML
RAPID: Ag eStandards\*

**Industry-Specific Core Components** 

Cross-Industry
Core Components

XML Document Structure Metalanguage: DTD/XML Schema

XML: Foundational—no work to do

and Packaging (TRP)
Standards

CIDX: RNIF 1.1 PIDX: Evaluating RAPID: ebMS 1.0

Transport, Routing,



#### What RAPID/CIDX/PIDX Need to Consider

Cross-industry approaches to business document standards that enable eBusiness connectivity with trading partners outside of our respective industries.

Registry/Repository Generally contains information related to... Trading Partner Agreement (TPA) Standards **Business Process/Collaboration Standards Business Document Standards** Industry-Specific **Extensions** Industry-Specific Business **Cross-Industry Document Standards** Transport, Routing, **Business Document** and Packaging (TRP) **Standards** Standards Cross-Industry Industry-Specific Core Components Core Components XML Document Structure Meta-language **XML** 





# Cross-Industry Standards Convergence Summary

- open standards that open markets
  - XML Schema format is the way to go convert in V4.0
  - Direction for envelope & security not as clear collaborate with PIDX and RAPID to frame the TRP situation and propose a path forward by year-end.
  - Core component approach is promising but traction isn't certain - monitor the core component implementation progress and assess implications on CIDX.
  - Several cross-Industry business document standards are emerging but a clear winner isn't apparent - monitor progress for the rest of the year.
  - Big increase in chemical sector interest in documenting business processes - start slowly with use cases and monitor maturity of business process standards.
  - No urgency for CIDX to address either trading partner agreement or registry/repository specifications at this time.





# Key Observations

- Industry standards are fine for eBusiness within an industry but,
- Cross-Industry eBusiness will thrive only to the extent we have convergence on global standards, because
- We can't map our industry standards to the standards of every industry we do business with
- To CIDX, the key areas for standardization right now are:
  - Transport, Routing & Packaging
  - Business Document Standards
    - Message Design Architecture
    - Core Components
    - Schema Design Rules
  - Business Process Standards





# Questions?

